

THE NATION

Saving Small Farmers
by MARCY KAPTUR
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We all know that small farmers are in crisis. What many Americans don't realize is just how much worse things are getting. Because of trade policies like NAFTA, the United States will become a net importer of agricultural products in 2006. While agricultural subsidies have risen to record levels, the prices American farmers receive for crops like corn, wheat, soybeans, cotton and rice have fallen 40 percent since 1996. Some farmers have been able to survive temporarily through emergency payments and subsidies from the government; others, like their counterparts in developing countries around the world, are selling off or abandoning their land. The American dream of small farming is dying.

Congress has a chance to address the crisis in 2007, when the Farm Security and Rural Investment Act of 2002 expires. While recent debate has focused on subsidies, they are just a Band-Aid on the real wound: prices being controlled by the global agricultural giants. Despite being championed as a boon to small farmers, recent trade agreements have benefited the giants, not those who grow the products. Making matters worse, we have seen a steady erosion of domestic programs that used to benefit farmers by insulating them from volatile prices and correcting the inherent tendency to over-produce. The government has allowed those mega-brokers to dictate policies that benefit them--and kill small farms.

Agribusiness is thriving in global markets governed by trade agreements favoring it over small farmers. Cargill has cornered about a quarter of global grain production. Two companies, Monsanto and Pioneer, control 60 percent of the US corn and soybean seed market. The top four beef packers dominate 83 percent of the market; four pork packers control 64 percent of the pork market; and the top four poultry processors account for 50 percent of that market. This concentration allows these companies more power to set prices--and further squeeze out small producers. Small farmers are reduced to mere contract growers, with little power to negotiate.

We need a system that will boost farm prices, both domestically and globally, to better reflect

the true costs of production. That means several things: stepping up regulation of agribusiness worldwide; reviving domestic price-support systems that benefit the farmer first, not the big broker; strengthening rules against agricultural dumping internationally; and managing domestic supply through food security reserves, energy reserves and conservation set-asides.

We also have to recapture the market in our communities. In many places it is almost impossible to find locally produced products because big grocery chains prefer to deal with high-volume wholesalers. I have introduced the Farmers Market Infrastructure Assistance Act (HR 710), which would construct, improve and rehabilitate local farmers' markets. We also must find ways to take advantage of other promising markets for local farmers--school lunch and breakfast programs, senior citizen meal centers and hospitals.

Our energy crisis also holds the promise of a new domestic market. The byproducts and waste of agricultural production can be used to produce clean and renewable energy like ethanol, biodiesel and biomass. I have introduced the Biofuels Energy Independence Act (HR 388), which would fund the production, development, storage and marketing of all forms of biofuels.

These proposals only scratch the surface of creative, farmer-friendly solutions that must address the destructive trade policies of recent years. All it takes is some good, old-fashioned ingenuity--along with leadership that supports America's farmers and ranchers. It's time to tell the big operators that they've had their day.

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